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### CENTRAL INTELLIGENCE AGENCY

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SECURITY INFORMATION

	INFORM	MATION REPORT	F		25X1 
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COUNTRY	Hungary		DATE DISTR.	15 October	1952
SUBJECT	Planting Teols Factory in Bud	apest	NO. OF PAGES	14	
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AND 794, OF THE L	ATES, WITHIN THE HEANING OFFITLE 18, SECTIONS 793 J.S. CODE, AS AMENDED. ITS TRANSMISSION OR REVE- ITENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS J. THE REPRODUCTION OF THIS FORM IS PROHIBITED.	THIS IS UNEV	ALUATED INFORMA	ATION	

## 1. Location:

The Factory for Planing Tools (Forgacsolo Szerszámok Cyára) is situated at 132-138 Reitter Ferenc utca, Budapest XIII. Reiter Ferenc utca is a small road in which there are many machine factories and repair workshops. There is no railway line leading into the factory, but approximately 3 km. to the north of the factory via Bêke utca, there is the Magdolnaváros station, and approximately 1 - 2 km. to the west there is the Rákosi marshalling yard. The finished products are transported on trucks to one of these two stations.

### 2. History:

- a. The factory already existed before the war, but was of little importance. During the war it was considerably damaged and the remaining machines were transported to Russia by the Soviets as reparations goods.
- b. From 1946 on, Soviet and German machines were brought to I the factory and work was started again, and gradually the buildings were repaired. The machines which arrived in the factory were stated by the Party Secretary to be "outstanding machines of the Soviet Union". but were in reality only copies of the machines of the Hille Factory in Germany. The "Stanko" lathe (number of revolutions 3,000), for example, is only a copy of the Hille machine. The same applies to the Soviet hobbing machines which are exact copies of the French Victoria machines. In 1946 new buildings were erected and two more houses in Reitter Ferenc utca were added.

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### Production:

The factory works for the armament industry and all products are delivered to the Soviet Union. Various kinds of metal tools are produced such as:

Hornyolok (groovers,drills?) Csigamarok (work gear hobbing machines) Tarcsamarok (disc hobbing machines) Spirálfurok (apiral drills)

Menetfurok (Thread taps)

Menetmetszök (thread-cutting machines) Menetmetszőfejek (threading die heads)

7) 8) Medul vagy fogmarok (gear hobbing machines)

9) Dörzsárak, lyukfáró ezredmilliméter pentosságig (friction awls, hole drill with 1/1,000 mm. tolerance)

10) Dörzsárgépek, állithatók, ezredmilliméter pentosságig (Triction evit machines, adjustable with 1/1,000 mm. tolerance).

The factory also produces barrels for 45 mm. anticircraft guns.

The exact production figures are not known. Each Friday a Soviet delivery commission of several men arrives to take over the finished products, which are then taken away on trucks. Each week 2 - 3 trucks loaded with various products leave the factory. It has been stated during political lectures that the monthly output of the factory amounts to a value of approximately 30 million forints.

## Raw materials:

Up to 80% of the material used in the factory is from the Soviet Union and approximately 20% from Hungary. The Hungarian material, such as cast iron, hard steel, high-speed steel, etc. comes from Miskolc-Diesgyor. Owing to processing difficulties the goods produced from Soviet materials were always so bad that 50% of them were rejects. Naturally the workers were not paid for the so-called "reject products", although they were delivered as good products to the customers. The quality is also impaired by the quick casting, and because metal waste is melted in with the material used. The resulting metal is either too hard, too soft, too granular, or too porous. This reject production (approximately 40-50%) is sometimes sent back to Didagyor and melted down again, and sometimes delivered to the customers, as mentioned above. On account of continuous interruptions in the work, the normal three daily shifts are sometimes reduced to two. These interruptions are not due to shortages of materials but to the bad quality of the metals, so that the preliminary processing workshops cannot supply the other departments of the factory with sufficient material.

# 5. Machines:

80% of the machines are of Soviet origin and 20% are machines from small factories which have been nationalised. The Soviet machines are new as also are approximately 70% of the other machines.

#### Current supply:

The factory works exclusively with electric current which is supplied by the Budapest power station. There is also a transformer station in the factory which is inside the administration building.

# 7. Description of the factory:

The entrance to the factory is on the eastern side, from the Beitter Ference ut, and passes through the guard building, which is single storied, and approximately 10 x 8 m. in size.

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- b. Immediately next to it to the north there is the preliminary processing workshop which is situated on Reitter Ferenc ut; this is a single-story brick building, approximately 25 x 10 m. in size, with a tiled roof.
- c. On the north side of the factory area there are the buildings of the Fogmaro and Dörzsärgebek departments which join onto the preliminary processing workshop; these are two single-storied brick buildings, each approximately 13 x 10 m. in size, with tiled roofs, joined together.
- d. The adjoining building immediately to the west is the Csigamaro department a single-storied brick building, approximately 8 x 8 m. in size, with a tiled roof.
- ê. In the center of the west side of the area there is the so-called "heavy turner's workshop", a single- storied brick building, approximately 15 x 8 m. in size, with a tiled roof.
- f. Adjoining it to the south there is the Menetfuro and Menetmetszö department, a one story brick building, approximately 10 x 6 m. in size, with a tiled roof.
- g. In the center of the southern part of the area there is the administration building, a one story brick building, approximately 25 x 15 m. in size, with a tiled roof, which houses the administration offices and the central store.
- h. To the south of the administration building, on the south side of the area, there are, next to each other, an open air coal store and a scrap iron store.

### 8. Norms:

The norms in the factory are in general very high; for example, the time reckoned for the turning work and thread cutting on the \$.30 m. long antiaircraft gun barrels. caliber 45 mm. is only 70 minutes.

300 minutes were formerly allowed for this work. The result of these migh norms is a large percentage of reject products.

#### 9. The workers:

- a. The factory employs 1,200 workers and employees of which 400 are women. 80 of the 400 women are Greek refugees. The work is done in 2 shifts; from 6 a.m. to 2 p.m. and from 2 p.m. to 10 p.m. Formerly there were three shifts, but almost the entire factory has now changed to two shifts.
- b. The wages are divided into 7 categories, the first category being that of the children, and the 7th that of the expert workers. The wages paid by the hour vary between 1.80 and 3.80 forints. There are no forced laborers in the factory, but there is a great shortage of experts. Children are employed, and up to 15% of the workers are under the age of 20. The workers are dissatisfied owing to the low wages and the high norms.

# 10. Leading personnel:

The factory is a state concern to the Ministry for Industry.	under civilian	management	and i	s subordinate	25X1

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# 11. Guards and security:

The factory has its own police force which consists of retired workers; there are men on duty day and night. So far there are no air-raid shelters. Fire duty is also carried out by the police personnel mentioned above. There are approximately 10 hand pumps in the administration building, which are the only fire-fighting equipment available.

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